

**Senate Bill No. 1826**

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Passed the Senate August 31, 2006

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*Secretary of the Senate*

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Passed the Assembly August 28, 2006

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2006, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act relating to surplus property, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1826, Migden. Surplus state property.

(1) Existing law authorizes the Director of General Services to dispose of state surplus property, subject to specified conditions, including authorization by the Legislature. The director is authorized to sell, lease, exchange, or transfer specified parcels in this regard for fair market value or current market value, subject to specified conditions.

This bill would authorize the director to sell, exchange, or lease approximately 0.39 of an acre of unimproved property located north of Golden Gate Avenue at Gough and Franklin, in the City of San Francisco, San Francisco County, for fair market value, or upon specified terms and conditions. The bill would require the director, if that property is disposed of by a means other than being sold, exchanged, or leased for fair market value, to report specified information to the chairs of the legislative fiscal committees 30 days prior to completing a transaction regarding these parcels. The bill would exempt the sale, exchange, or lease of the specified parcel from specified provisions of the California Environmental Quality Act.

(2) Under the California Constitution and existing state statutory law, the net proceeds from the sale of surplus state property are required to be used to pay the principal and interest on bonds issued pursuant to the Economic Recovery Bond Act and, for this purpose, are required to be paid into the Deficit Recovery Bond Retirement Sinking Fund Subaccount, a continuously appropriated fund, unless otherwise specified by law.

Because the bill would result in the deposit of moneys received from the sale of surplus state property into the Deficit Recovery Bond Retirement Sinking Fund Subaccount, which is continuously appropriated, the bill would make an appropriation.

Appropriation: yes.

*The people of the State of California do enact as follows:*

SECTION 1. (a) Subject to making the report required in subdivision (b), the Director of General Services may sell, exchange, or lease for fair market value or upon those terms and conditions as the Director of General Services determines are in the best interest of the state, all or any part of the following real property:

Approximately 0.39 of an acre of unimproved property thereon, located north of Golden Gate Avenue at Gough and Franklin, San Francisco, San Francisco County.

(b) Thirty days prior to completing the transaction authorized in subdivision (a), if the Director of General Services disposed of the property in any way other than by selling, exchanging, or leasing for fair market value, the director shall report to the chairs of the legislative fiscal committees the following:

- (1) The financial terms of the transaction.
- (2) A comparison of fair market value for the property and the terms listed in paragraph (1).
- (3) The basis for agreeing to terms and conditions other than fair market value.

(c) Any sale, exchange, lease, or transfer of a parcel described in this section is exempt from Chapter 3 (commencing with Section 21100) to Chapter 6 (commencing with Section 21165), inclusive, of Division 13 of the Public Resources Code.

Approved \_\_\_\_\_, 2006

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*Governor*